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**Turkey: Renegotiating the DECA**Summary

Turkey will probably call for changes in its Defense and Economic Cooperation Agreement (DECA) with the United States to incorporate long-term assurances of increased military assistance. [redacted]

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Turkish Intentions

The current five-year US-Turkish Defense and Economic Cooperation Agreement (DECA) expires on 18 December. If neither side calls for renegotiation by 18 September, it will be extended on a year-to-year basis. Changes short of full renegotiation can be proposed at any time, however, and both Foreign Minister Halefoglu in May and Prime Minister Ozal in late August have made it clear that the Turks would like some changes. The Prime Minister, who is widely regarded by Turks and Americans alike as indispensable to continued political stability in Turkey, may also look to the United States for some short-term successes while he copes with economic difficulties that seem resolvable only in the long term. [redacted]

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Turkish dissatisfaction with the current DECA focuses on three principal points. The Turks allege that:

- The United States has not fulfilled its pledge to exert its "best efforts" to assist Turkish force modernization. Levels of assistance have been too low because of adherence

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to a 7:10 Greek-Turkish assistance ratio, and too much has consisted of non-concessional Foreign Military Sales (FMS) credits rather than FMS credits on concessional terms or Military Assistance Program (MAP) grants;

- Defense industrial cooperation has not developed adequately, despite nine co-production projects currently underway or scheduled, and planned technology transfers linked to Turkey's F-16 purchase;
- The United States has contributed less than expected to the Turkish economy, largely due to meager US procurement of local goods and services, such as construction materials and contract employees, and stingy contributions for operations and maintenance at shared installations.

Ankara has three options. It can call for:

- Formal termination and full renegotiation of the DECA;
- Revision of some of its terms or those of its three supplementary agreements;
- "Side letters" or other extra-textual devices to modify the accord.

We believe the Turkish government will propose talks on amending the agreement, along the lines of the second option, by 18 September due to the prominence the date has assumed publicly as well as officially in Turkey. [REDACTED]

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### Turkish Goals

The level of military assistance clearly will be the central issue in bilateral talks. According to press reports and US Embassy contacts, Turkish officials have indicated they probably will demand that a "guarantee clause" be inserted in the DECA or its supplementary agreement on defense support, committing the United States to provide \$1.1 to \$1.2 billion annually, or upwards of about \$5.5 billion over five years. We believe they will further insist that this contribution be unconstrained by any linkage to levels of assistance to Greece. [REDACTED]

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Ankara almost certainly knows that such a formal commitment is not in the cards, and probably hopes more realistically to obtain an extra-textual assurance on aid levels. Press reports of interviews with Prime Minister Ozal suggest the Turks would prefer a Presidential letter "guaranteeing" uninterrupted assistance on the order of \$1 billion a year. Failing that, we believe they will hold out for a "side letter" pledging annual

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Executive Branch requests to Congress--and active, effective support--for aid at those levels.\* They can cite letters given the Greeks in 1983 and the Spaniards in 1982 as precedents. [ ]

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In addition to an increase in the total amount of military assistance, Ankara may seek forgiveness or at least rescheduling of its present FMS debt, service on which will exceed \$400 million annually in 1986. We believe the chances are even that the issue will be used as an opening position, but would not persist as a matter for negotiation if substantial debt relief were to require US Congressional involvement. [ ]

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Ankara probably will also express a strong desire for broader and deeper defense industrial cooperation. However, the Turks understand that limitations in their own absorptive capacity for defense industrial technology are a major constraint. They are also aware that the original list of seven projects has grown to nine, the most extensive US coproduction program in the world. Moreover, the F-16 program, though not formally a part of defense industrial cooperation, will involve transfers of technology directly relevant to overall Turkish military production capabilities. On balance, the Turks probably can be persuaded that US efforts in the defense industrial field have been quite respectable, and that prospects are good for improvements in this area without unnecessarily restrictive project or funding commitments. [ ]

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Press discussion of a television interview with Ozal in August included assertions that Turkey's review of the DECA will be part of a broader evaluation of Turkish-American relations generally. Economic aspects are particularly important to Ozal, who has openly advocated "more trade instead of more aid." It is possible but unlikely that the Turks will attempt to introduce into the DECA talks certain economic issues such as increased textile exports to the United States that they have brought to US attention elsewhere. For the Turks, however, such a move would risk diluting the concentration on military assistance levels, which in any case have strong economic implications in their own right; moreover, they probably can be made to view the treatment of purely economic and commercial issues as unnecessarily cumbersome in the DECA context. [ ]

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\*Combined US economic and military assistance is already approaching \$0.9 billion annually--see Annex. [ ]

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From the US perspective, some problems characterize the operational military relationship. Except in rare "crisis" situations, the Turks refuse to allow the United States to use its access to bases or operating rights in Turkey to support activities outside the NATO area. A recent example was Turkish denial of a US request for aircraft transits through Incirlik in support of the Bright Star 85 rapid deployment exercise with Egypt. The incident probably made the Turks aware of the expansion of operating freedom the United States would like to discuss if the DECA were sufficiently reopened; for their part, the Turks seem largely satisfied with the controls they currently exercise over US activities. [REDACTED]

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### Constraints on Turkey

Despite their restiveness with the current arrangement, a number of factors will constrain the Turks from seeking to replace the current DECA with an entirely new agreement. They recognize that any new agreement would be subject to Congressional review--or to formal Senate approval in the case of a full-fledged treaty. That could lead to a discussion of such sensitive topics as Turkish actions on Cyprus, the Armenian question, and the human rights situation in Turkey. [REDACTED]

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The Turks have suggested a separate treaty as a way to guarantee multi-year security assistance commitments, but the question of a treaty to replace the DECA should arise only as a negotiating tactic, if it arises at all. The Turks are aware that the United States regards the North Atlantic Treaty as the prime determinant of mutual security relations with the Allies and thus prefers executive agreements rather than "subordinate" bilateral treaties to address the details of security cooperation with individual allies. For their part, because they use the NATO context to justify their Western security ties as a defense against the Soviet threat, the Turks would not be interested in a treaty addressing only the non-NATO defense interests that they may share with the United States. [REDACTED]

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The Turks probably could be compelled to settle for considerably less than they would like, recognizing they have no realistic alternative to the United States as an ally and supplier of military assistance. Disappointing results, however, would add to the strains on US-Turkish relations. The Turks are resentful of what they see as a lack of reciprocity in mutual security matters. In their eyes, Prime Minister Ozal's steadfast moderation has not prevented Congressional action to limit military assistance to Turkey. The Turks consider last year's Congressional consideration of an Armenian genocide resolution as a rather typical disregard of Turkish interests and sensitivities. Only Prime Minister Ozal's personal intervention

with the Turkish parliament forestalled a retaliatory debate on alleged US genocide against black and native Americans. [REDACTED]

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US-Turkish defense cooperation will continue to be based on shared security interests. Just as Turkey has no realistic alternative to the United States as a military supplier and ally, there are few if any substitutes for Turkey's geostrategic advantages to the United States either vis-a-vis the Soviet Union or as a potential support area for operations in Southwest Asia and the Middle East. Despite points of friction, operational military cooperation has generally been good. Among the most notable examples, the first nuclear-powered warship visit in twenty years took place in May; a Wartime Host Nation Support agreement was signed in late 1984; and a Transit Terminal Agreement in 1983 permitted the use of Incirlik on an exceptional basis as an airhead in support of the Multinational Force in Lebanon. The odds are that shared security interests will preserve the overall relationship. [REDACTED]

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## ANNEX

Key Features of Current  
US-Turkish Defense and Economic Cooperation Agreement  
(DECA)

- A bilateral Executive Agreement falling under the terms of the North Atlantic Treaty
- Signed 29 March 1980; entered into force 18 December of the same year
- Consists of a basic agreement, three supplementary agreements, and eight annexes
- Basic or foundation agreement has a preamble and nine articles providing for: US "best efforts" in supplying economic as well as military assistance; joint production of defense materiel; and base access/operating rights for NATO purposes for US forces in Turkey
- Supplementary Agreement 1 outlines procedures for US defense support for Turkish force modernization
- Supplementary Agreement 2 addresses defense industrial cooperation; annex lists seven specific defense production projects
- Supplementary Agreement 3 specifies access to bases and associated operating rights for US forces; seven annexes deal with Incirlik air base, the Sinop SIGINT and Pirinclik spacetrack installations, nodal communications sites, logistical and administrative facilities, the Belbasi seismic station, and the Kargaburun LORAN site
- Actual aid flows to Turkey (millions of \$US) in DECA context:

YEAR	ECONOMIC	MILITARY	TOTAL
1980	198.1	208.3	406.4
1981	201	252.8	453.8
1982	300	403	703
1983	285	402.8	687.8
1984	138.5	718.1	856.6
1985	175	700	875
1986	150	714.2	864.2 (estimated)

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